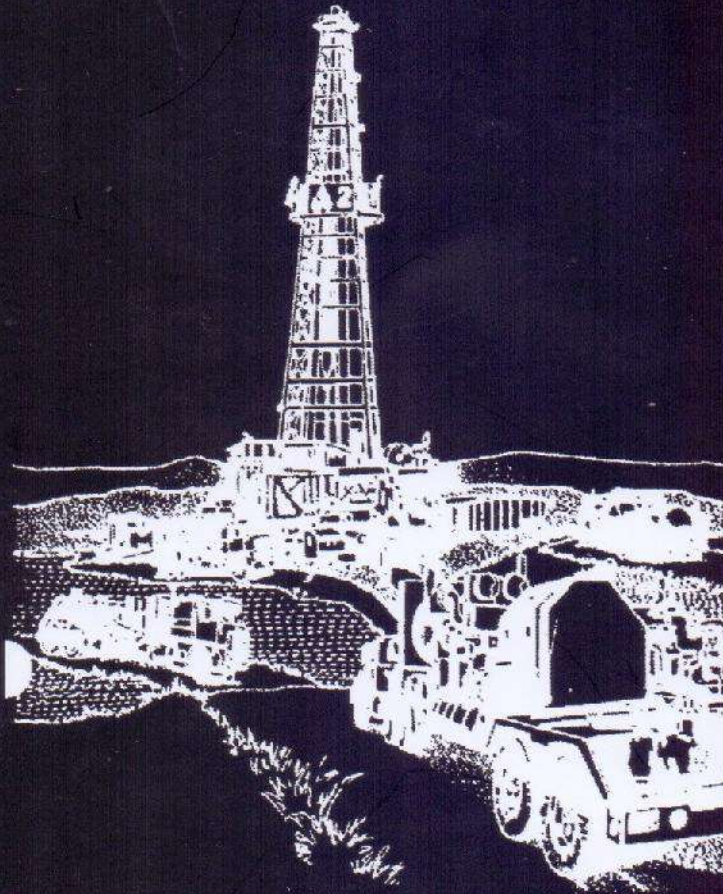


Annual Report June 30, 2016





COMPANY INFORMATION

CHIEF EXECUTIVE OFFICER DIRECTORS

Mr. Zia Akbar Ansari
Mr. Jamal Akbar Ansari
Mr. Zia Akbar Ansari
Ms. Sabina Ansari
Mrs. Uzma Jamal
Mrs. ShooBARANA Zia
Mr. Taha Akbar Ansari
Mr. Sheryar Akbar Ansari
Mr. Sheikh Usman Ahmed
Mr. Muhammad Fahd Shaffi
Ms. Sabina Ansari

COMPANY SECRETARY

CHIEF FINANCIAL OFFICER AUDIT COMMITTEE

Mr. Ali Imran Haider Bokhari
Mr. Muhammed Fahd Shaffi - Member
Mrs. ShooBARANA Zia- Member
Mr. Sheikh Usman Ahmed - Member
Grant Thornton Anjum Rahman
Chartered Accountants

AUDITORS

BANKERS

Samba Bank Limited, Building 13-T, F-7,
Islamabad.
Dubai Islamic Bank Pakistan Limited,
Roshan Center, Plot 78-W, Jinnah Avenue, Blue
Area, Islamabad.
NIB Bank Limited (Formerly PICIC Commercial
Bank Limited,
Razia Sharif Plaza, Blue Area, Islamabad.
Bank Alfalah Limited,
Awan Arcade, Blue Area, Islamabad.
Bank Islami Pakistan Limited
5-6, Chanab Center, Block 104-E, Jinnah Avenue,
Blue Area Islamabad.
National Bank of Pakistan, F-8 Markaz, Islamabad.
Bank of Khyber. Blue Area, Islamabad
Bank of Khyber, Hattar Industrial Zone, Hattar.
Burj Bank Limited, F-8 Markaz, Islamabad

LEGAL ADVISORS

Samad Law Associates, Samad Chambers, 1st Floor,
G-253/A, Lquat Road, Rawalpindi.

REGISTERED OFFICE

Plot No. 294, Street No. 03, I-9/3, Industrial Area,
Islamabad.

Tel # 92-51-4859001-4859002

Fax # 92-51-4449706

SHARE REGISTRAR / TRANSFER AGENT

JWAFFS Registrar Services (Private) Limited,
407-408, Al Ameera Center, Shahrah-e-Iraq, Saddar,
Karachi.

Tel # 92-21-5662023-24 Fax: + 92 21 35221192

FACTORY(S)

a) Plot # 43, Phase III, Hattar Industrial Estate,
Khyber Pukhtoonkhwa. Tel # 92-995-617192 &
617364, Fax # 92-995-617193. b) Plot # 292, Street
3, Industrial Area I-9/3, Islamabad. Tel # 4449704



CORPORATE PROFILE

ADOS Pakistan is a state-of-the-art API Specification-5CT, Specification-6A, Specification-6D Specification 7-1 and Specification 12 F licensed manufacturing facility in Pakistan with a solid commitment to quality indigenous manufacturing of critical service capital intensive oilfield equipment with a guaranteed after market support. In addition to API certifications, Ados is also licensed by Cameron to manufacture their wellhead & Xmas tree product range and Tenaris for manufacturing their RTS premium thread connection.

Our in-house consultants, engineers, machinists, fabricators and welders form a solid core of basic expertise, which along with international technical support and licensing agreements with the world's most reputable manufacturers has enabled ADOS Pakistan Limited to manufacture, repair and maintain the following range of oilfield equipment with guaranteed aftermarket support and service.

1. WELLHEAD ASSEMBLIES

Made from cast or forged steel or alloys thereof, used in Oil & Gas Wells, both land & off-shore, for retaining different size of casings, from 30 OD to 5 OD and upto 10,000 psi working pressure & 350 F operating temperatures.

- Casing Spools slip-on or flanged end for Casing sizes ranging from 30 to 5 OD
- Casing Hangers for casing sizes ranging from 20 to 5 OD.
- Side outlet Valves either gate or ball valves in sizes ranging from 1-13/16 to 7-1/16 ID.
- Side outlet flanges blind or with bull plugs in sizes ranging from 1-13/16 to 7-1/16 ID.
- Other accessories, Risers, Mud lines & Suspension Systems

2. TUBING HEAD X-MAS TREE ASSEMBLIES

Designed to be used for production of Oil or Gas from the Oil & Gas wells to be mounted on the wellhead, both land & offshore. Made from forged steel or alloys thereof, standard or clad with special corrosion resistant alloys. Conventional type or solid block type Assembly rated upto 10,000-psi working pressure.

- Tubing Spools made from forged steel or steel alloys, standard or clad with tubing hangers, both for single or multiple well completions. Side outlets with Valves or Flanges rated upto 10,000-psi working pressure ranging from 1-13/16 to 7-1/16 ID.
- Secondary Seal Assemblies with Pseal or other seals incorporated in 2.1 or separately as a flange or adapter.
- Tubing Spool Adapters. Single or Double Studded or through Hole Type.
- Crosses, Tees and Adapters all studded with ring grooves.
- X-Mass Tree Assemblies standard or Solid Block consisting of one or more Standard or cavity Valves ranging in sizes from 1-13/16 to 7-1/16 ID.
- Chokes adjustable or fixed including rotary type with accessories.
- X-Mass Tree Caps & Weld on Flanges.
- Other Wellhead Accessories.

3. SOCONDARY SEALS, DOUBLE STUDDED ADAPTERS & FLANGES.

Made from forged steel or steel alloys, Standard or Cladded with or without integral seals rated up to 10,000-psi working pressure.

- Double Studded Adapters from 26-3/4 ID to 1-13/16 ID in various combinations.
- Through Bore Adapters from 26-3/4 ID to 1-13/16 ID.
- 3.1 & 3.2 with integral single or double seal.
- Reducer Flange.
- Weld-on Flanges etc.
- Other Accessories.

4. CHOKE & KILL MANIFOLD ASSEMBLY

Production & Drilling chokes both manual and hydraulic operated with crosses, bends & tees. All mounted or unitized on skid as one assembly rated up to 10,000-psi working pressure.

- Production Test Manifolds.
- Drilling Choke and Kill Manifolds.
- Stand Pipe Manifolds.
- Control Manifolds.
- Other Manifolds & accessories.

5. ROTARY DRILLING EQUIPMENT

- Integral & weld blade or replaceable Sleeve type stabilizers.
- Drill String Subs.
- Kelly Saver Subs.
- Bit Subs.
- Tool Joints / Drill Pipes.
- Junk Subs.
- Pup Joints.
- Drill Collars.

6. Seismic Drilling Rigs

- Man portable Seismic Drilling Rigs with Down Hole Hammer.
- Trailer Mounted Seismic Drilling Rigs with Down Hole Hammer.
- Truck Mounted Seismic Drilling Rigs with Down Hole Hammer.

7. General Fabrication & Machining:

- Storage Vessels & Tanks.
- Discrete & Overt Armoring of Vehicles.
- Caravans both skid & wheel mounted.
- Jig fixtures for automobile manufacturing plants.
- Weld neck & beveled end flanges.
- Shafts, fittings, plugs & engine heads.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 31st Annual General Meeting of the shareholders of ADOS Pakistan Limited will Insha'Allah be held on Monday October 31, 2016 at 10.30 A.M at its registered office at Plot No. 294, Street No. 03, I-9/3, Industrial Area, Islamabad to transact the following business:

ORDINARY BUSINESS:

1. To confirm the minutes of 30th Annual General Meeting held on October 30, 2015.
2. To receive, consider and adopt the Audited Financial Statements for the year ended June 30, 2016 together with Director's and Auditor's report therein.
3. To appoint auditors for the year ending June 30, 2017 and to fix their remuneration.

OTHER BUSINESS:

1. To transact any other business with the permission of the Chair.

By Order of the Board

SABINA ANSARI

Company Secretary

Islamabad: October 07, 2016

Notes:

- i) Share Transfer Book will remain closed from October 23, 2016 to October 31, 2016 [Both days inclusive]. Transfers received at Share Registrar, M/s JWAFPS Registrar Services (Private) Limited, 407-408, Al-Ameera Center, Shahrāh -e- Iraq, Saddar, Karachi at the close of business on October 22, 2016 will be treated in time for the purpose of attending the Annual General Meeting and payment of Dividend.
- ii) A member entitled to be present and vote at the meeting may appoint another member, as his/her proxy to attend, speak and vote on his/her behalf. The instrument appointing proxy and the power of attorney or other authority under which it is signed or a notarially certified copy of power of attorney must be deposited at the registered office of the Company at least 48 hours before the time of meeting.

CDC accountholders will have to follow guide lines as laid down in Circular 01 dated January 26, 2000, issued by the Securities & Exchange Commission of Pakistan:

A. For attending the meeting:

- i. In case of individuals, the account holder or sub-account holder and /or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate his/her identity by showing his/her original Computerized National Identity Card (CNIC) or original passport at the time of attending the meeting.
- ii. In case of corporate entity, the Board of Director's resolution / Power of attorney with specimen signature of the nominee shall be produced at the time of meeting.

B. For Appointing proxies:

- i. In case of individuals, the account holder or sub-account holder and /or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirement.
- ii. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- iii. Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.

- iv. The proxy shall produce his/her original CNIC or original passport at the time of meeting.
 - v. In case of corporate entity, the Board of Director's Resolution/ Power of attorney with specimen signatures shall be submitted along with proxy form to the Company.
- iii) **Submission of CNIC (Mandatory):** Pursuant to the directives of the Securities and Exchange Commission of Pakistan (SECP) vide SRO 779(I) 2011 dated August 18, 2011 and SRO 831(I)/2012 dated July 05, 2012, dividend warrants should bear CNIC of the registered shareholders. Accordingly, Shareholders who have not yet submitted copy of their valid CNIC and NTN (in case of corporate entities) are requested to submit the same to the Share Registrar at their above stated address, with members' folio number, mentioned thereon. It may kindly be noted that in case on non-receipt of the copy of valid CNIC, the Company would be constrained to withhold dispatch of dividend warrants.
- iv) Shareholders are also requested to notify any change in their address to the Company's share Registrars M/s JWAFS Registrar Services (Pvt.) Limited at their address stated above.
- v) **Dividend Mandate-Payment of cash dividend electronically (optional):** In order to make process of payment of cash dividend more efficient, SECP vide Circular No. 8(4) SM/CDC 2008 dated April 05, 2013 have issued instructions so that the shareholders can get their dividend credited in their respective bank accounts electronically without any delay. The shareholders may therefore authorize the Company to credit the dividend directly to their bank account for all future dividends declared by the Company. Accordingly all non CDC shareholders are requested to send their bank account details to the Company's Share Registrar. Shareholders who hold shares with Participant /Central Depository Company of Pakistan Limited (CDC) accounts are advised to provide the mandate to the concerned stock broker (participant)/CDC.
- vi) **Circulation of Notice of Meeting and Annual Accounts (optional):** With reference to SRO 787(I)/2014 dated September 08, 2014 issued by SECP, shareholders have option to receive Annual Audited Financial Statements and Notices of General Meetings through e-mail. Shareholders of the Company are requested to give their consent on prescribed format available on the Company's website to our Share Registrar at their address stated above to update our record if they wish to receive Annual Audited Financial Statements and Notices of General Meetings through e-mail. However, if a Shareholder, in addition, request for a hard copy of Annual Audited Financial Statements the same shall be provided free of cost within seven days of receipt of such request.
- vii) **Filer and Non-Filer Status:** Through Finance Act, 2016, enhanced rate of withholding tax has been prescribed in the Income Tax Ordinance, 2001 (Ordinance) for certain provisions including withholding tax from dividend under section 150 of the Ordinance. These tax rates are as under:
- | | |
|---|-------|
| a) For Filers of Income Tax Returns | 12.5% |
| b) For Non-Filers of Income Tax Returns | 20.0% |
- For this purpose, the term "filer" means a taxpayer whose name appears in the Active Taxpayers List (ATL) issued by the Federal Board of Revenue (FBR), from time to time whereas "non-filer" is a person other than a "filer". FBR has uploaded an ATL on its website which can be accessed at www.fbr.gov.pk. At the time of dividend distribution, the Company being a withholding agent would check the above status of the individual shareholder and respective withholding tax rates will be applied accordingly.
- viii) Shareholders claiming exemption from Zakat are required to file their declaration with the Share Registrar of the Company
- ix) Accounts of the Company for the year ended June 30, 2016 has also been provided on the website [www.ados.com.pk]



**PATTERN OF HOLDING OF SHARES
HELD BY THE SHAREHOLDERS**

AS AT JUNE 30, 2016

Number of Shareholders	Shareholding From	-	To	Total Number of Shares Held
84	1	-	100	3532
649	101	-	500	316750
74	501	-	1000	72463
77	1001	-	5000	196196
9	5001	-	10000	62000
8	10001	-	15000	106000
5	15001	-	20000	97659
3	20001	-	25000	66500
1	105001	-	110000	106000
1	250001	-	255000	250500
1	575001	-	580000	575500
2	2360001	-	2365000	4729500
914				6582600

Note: The slabs not applicable have not been shown.

Shareholder's Category	Number of Shareholders	Number of Shares Held	Percentage %
Financial Institutions	3	576200	08.76%
Individuals	908	5886399	89.42%
Joint Stock Companies	2	14001	00.21%
Associated Companies	1	106000	01.61%
	914	6582600	100%

**STATEMENT OF COMPLIANCE
WITH THE CODE OF CORPORATE GOVERNANCE
FOR THE YEAR ENDED JUNE 30, 2016**

This statement is being presented to comply with the Code of Corporate governance (Code) contained in Listing Regulations of the Pakistan Stock Exchange (G) Limited, for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance. ADOS Pakistan Limited has applied the principles contained in the Code in the following manner:

1. The Company encourages representation of independent non-executive directors and directors representing minority interests on its Board of Directors. At present the board includes:

Category	Names
Independent Director	Mr. Muhammad Fahd Shafi
Executive Directors	Mr. Jamal Akbar Ansari
	Mr. Zia Akbar Ansari
	Ms. Sabina Ansari
Non-Executive Directors	Mr. Sheikh Usman Ahmed
	Mr. Taha Akbar Ansari
	Mr. Sheryar Akbar Ansari
	Mrs. Uzma Jamal
	Mrs. ShooBARANA Zia

The independent Director meets the criteria of independence under clause 5.19.1.(b) of the Code

2. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company.
3. All the resident directors of the Company are registered taxpayers and none of them have defaulted in payment of any loan to a banking company, a Development Financial Institution or a Non-banking Financial Institution or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.
4. No casual vacancy occurred on the Board of the Company during the period under review.
5. The Company has prepared a "Code of Conduct" and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.
6. The board has developed a vision and mission statement, overall corporate strategy and formulated significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
7. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remunerations and terms and conditions of employment of the CEO, other executives and non-executives directors, have been taken by the Board/shareholders.

8. The meetings of the Board were presided over by the Chairman and the Board met at least once in every quarter. Written notices of the Board meetings, along with agenda and working papers were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.
9. Six Directors of the Company are exempted from the requirement by virtue of their experience as prescribed by the SECP in clause (xi) of CCG from directors' training certification. The remaining three Directors' will yet to attain their training certification. All the Directors on the Board are fully conversant with their duties and responsibilities as directors of the corporate body.
10. No new appointment of CFO/Company Secretary has been made during the year.
11. The Directors' report for this year has been prepared in compliance with the requirements of the Code and fully describes the salient matters required to be disclosed.
12. The financial statements of the Company were duly endorsed by the Chief Executive Officer and Chief Financial Officer before approval of the Board.
13. The Directors, Chief Executive Officer and the executives do not hold any interest in the shares of the Company other than that disclosed in the pattern of shareholding.
14. The Company has complied with all the corporate and financial reporting requirements of the Code.
15. The Board has formed an audit committee. It comprises three members, all of whom are non-executive Directors including the Chairman of the Committee who is also an independent Director.
16. The meetings of the Audit Committee were held at least once in every quarter prior to approval of interim and final results of the Company and as required by the Codes. The terms of reference of the Committee have been formed and advised to the committee for compliance.
17. The Board has an Human Resources and Remuneration Committee. It comprises of five members of whom one is independent Director and four are non-executive directors. The Chairman of the Committee is a non-executive director.
18. The board has set up an effective internal audit function whose members are considered suitably qualified and experienced for the purpose and well conversant with the policies and procedure of the company.
19. The statutory auditors of the Company have confirmed that they have given a satisfactory rating under the quality control review program of the of the Institute of Chartered Accountants of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with the International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan.
20. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they observed IFAC guidelines in this regard.
21. The "closed period", prior to the announcement of interim/final results, and business decisions, which may materially affect the market price of company's securities, was determined and intimated to directors, employees and stock exchange.



22. Material/price sensitive information has been disseminated among all market participants at once through stock exchange.

23. We confirm that all other material principals contained in the Code have been complied with.

On behalf of the Board

ZIA AKBAR ANSARI

Chief Executive Officer & Director

Islamabad: October 07, 2016

DIRECTOR'S REPORT TO THE MEMBERS

Gentlemen,

The Directors of the company take pleasure in placing before you the 31st Annual Report together with the Audited Accounts, Auditor's Report, Statement of Compliance with the best practice of Corporate Governance and Auditor's Review Report on it thereon.

1. The management is struggling to boost the level of sales as inflationary indicators has boost the costs and expenses in relation to comparative low revenues. The management is striving to get orders as competitors in market have forced to cut margins in order to stand in the bidding process.
2. The management of the Company is facing the continuous challenges of unstable economic situations especially the current slumps in the Oil & Gas Industry with lower oil prices keeping in view the international and national perspective. As a consequent these are badly affecting the overall orders from Oil and Gas explorations companies operating in Pakistan resulting in low revenues.
3. Regarding qualification by our external auditors in their report to the members on the correctness relating to nomenclature and valuation of items being classified as Stores, Spares and loose tools (note 10) amounting to Rs. 1,653,593 (2015: 1,653,593) and Stock in trade (note 11) amounting to Rs.3,264,562 (2015: 3,264,562), as stated in previous financial years, the Company has purchased these items stated under the above stated heads in the shape of a bulk and was imported from abroad. The price was paid for whole of the items collectively i.e. for whole of the bulk and the documents related to these were fully verified by the auditors. The problem was with the assigning of cost to each item separately, as physically verified by the auditors on stock take and to have the underlying documents and the basis for the valuation for each item for verification purposes. In addition to above, regarding existence as stated by the auditors, the problem it meant was the absence of verification on individual itemized basis rather than collective/bulk.
4. The management is utilizing all its efforts to get maximum of orders from Oil & gas Exploration Companies operating in Pakistan [E & P Companies] as the current slumps in oil & gas industry has greatly affects the future orders. The management is utilizing its full capacities to get orders for its specialized fabrication division in order to boost the sales.
5. The management fully intends to comply with the requirement of Director's training program as per the Code of Corporate Governance for the non-exempted Director's.
6. The management has decided not to pay dividends for the year ended June 30, 2016 keeping in view future cash flow requirements of the company.

The Directors' takes this opportunity to thank the management, workers principal sponsors, bankers and to the most the shareholders for their endless cooperation and support.

STATEMENT ON CORPORATE GOVERNANCE

The Board is pleased to certify that:

- i) The financial statements prepared by the management of the listed Company present fairly its state of affairs, the result of its operations, cash flow and changes in equity.
- ii) Proper books of accounts of the listed Company have been maintained.

- iii) Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- iv) International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements.
- v) The system of internal control is sound in design and has been effectively implemented and monitored.
- vi) There are no significant doubts upon the Company's ability to continue as a going concern.
- vii) There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.
- viii) The company's revenue has decreased as of previous year due to decrease in orders received during the year with a very slight comparative decrease in cost of sales and consequent comparative minor increase in profits.
- ix) On recommendation of Audit Committee the Board recommends appointment of Grant Thornton Anjum Rehman, Chartered Accountants to continue as external auditors of the Company for the year ending June 30, 2017.

BOARD MEETINGS & ANNUAL GENERAL MEETING [AGM]:

During the year Six (6) board meetings and AGM were held. Attendance by each Director & CEO is as follows:

Name of Directors & CEO

Attendance

Mr. Zia Akbar Ansari	07
Mr. Jamal Akbar Ansari	07
Ms. Sabina Ansari	07
Mrs. Uzma Jamal	07
Mrs. Shoobarana Zia	05
Mr. Sheikh Usman Ahmed	07
Mr. Taha Akbar Ansari	07
Mr. Sheryar Akbar Ansari	07
Mr. Muhammad Fahd Shafi	06

EARNING PER SHARE:

Earnings per share for the year ending June 30, 2016 is Rs. 0.87

CORPORATE SOCIAL RESPONSIBILITY (CRS):

ADOS endeavors to be a responsible corporate citizen, being aware of its social obligations, it continues to proactively promote, develop and maintain medical, social and welfare activities for the benefit of local communities through donations.

CATEGORIES AND PATTERN OF SHARE HOLDING:

The Categories and Pattern of Shareholding as required by the Companies Ordinance, 1984 in Form 34 is attached with this report. Additional information is given, as under:

Shareholder's Category	Number of Shareholders	Number of Shares Held	Percentage %
Financial Institutions	3	576200	08.76%
Individuals	908	5886399	89.42%
Joint Stock Companies	2	14001	00.21%
Associated Companies	1	106000	01.61%
	914	6582600	100%

Information under Clause XIX (i) of the Code of Corporate Governance

Financial Institutions:	Shares held	%
National Bank of Pakistan	575500	8.743
Bankers' Equity Limited	400	0.006
Asian Development Bank	300	0.004
Joint Stock Companies:		
Ihsan Cotton Products (Private) Limited	14000	0.212
Maple Leaf Capital Limited	1	0.000
Associated Companies:		
Akbar Associates (Pvt.) Limited	106000	1.61

Directors, CEO, and their Spouse

Mr. Zia Akbar Ansari	CEO/Director	2364750	35.92
Mr. Jamal Akbar Ansari	Director	2364750	35.92
Miss. Sabina Ansari	Director/CS	20000	0.30
Mrs. Shoobarana Zia	Director	22500	0.34
Mrs. Uzma Jamal	Director	23000	0.35
Mr. Sheikh Usman Ahmed	Director	18159	0.28
Mr. Taha Akbar Ansari	Director	200	0.003
Mr. Sheryar Akbar Ansari	Director	200	0.003
Mr. Mohammad Fahd Shafi	Director	100	0.002

Information under Clause XIX (j) of the Code of Corporate Governance

The CEO, Directors, Company Secretary, CFO and their spouses have made no sale/purchase of Company's shares during the financial year ended June 30, 2016.

Moreover, the directors of the company have not been appointed as a director in more than seven other listed Companies and no spouse of the directors of the company is involved in the business of brokerage.

Shareholders holding ten percent or more voting interest in the Company:

	Shares held
Mr. Zia Akbar Ansari	2364750
Mr. Jamal Akbar Ansari	2364750

For and on behalf of the Board

ZIA AKBAR ANSARI
CHIEF EXECUTIVE OFFICER & DIRECTOR

Islamabad, October 07, 2016

SIX YEARS AT A GLANCE

	2015-2016	2014-2015	2013-2014	2012-2013 (Restated)	2011-2012 (Restated)	2010-2011
Operating Results						
Sales	613,951,665	580,257,047	724,179,272	1,061,079,414	291,310,209	462,366,269
Gross Profit	95,167,307	105,078,851	123,803,110	273,133,693	58,577,111	68,093,494
Pre-Tax Profit	9,330,230	12,238,693	31,128,934	152,780,465	24,466,258	24,578,381
After-Tax Profit	5,706,814	4,068,202	6,582,543	98,584,428	15,081,065	13,424,691
Financial Position						
Current Assets	398,194,022	611,023,349	732,654,655	824,414,263	396,048,896	409,769,397
Current Liabilities	228,437,493	384,967,433	526,896,527	598,237,496	273,167,982	300,071,220
Operating Fixed Assets	70,906,597	45,338,977	49,394,806	45,460,664	51,436,951	58,339,535
Total Assets	475,921,560	659,039,228	796,485,123	878,373,539	453,712,516	468,108,932
Employees' Benefit Obligation	6,956,551	6,552,524	6,031,220	5,962,967	4,970,884	5,311,642
Shareholders' Equity	240,527,516	267,519,271	263,557,376	274,173,076	175,573,650	162,726,070
Ratios						
Current Ratio	1.74	1.59	1.39	1.38	1.45	1.37
Gross Profit to Sales	15.50	18.11	17.10	25.74	20.11	14.73
Net Profit to Sales	0.93	0.70	0.91	9.29	5.18	2.90
Breakup Value per share (Rs.)	36.54	40.64	40.04	41.65	26.67	24.72
Earning per share-Basic (Rs.)	0.87	0.62	1.00	14.98	2.29	2.04

REVIEW REPORT TO THE MEMBERS ON STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

We have reviewed the enclosed Statement of Compliance with the best practices contained in the Code of Corporate Governance (the Code) prepared by the Board of Directors (the Board) of ADOS Pakistan Limited, (the Company) for the year ended June 30, 2016, to comply with the requirements of Rule 5.19 of Rule Book of Pakistan Stock Exchange Limited, where the Company is listed.

The responsibility for compliance with the Code of Corporate Governance is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Code and report if it does not and to highlight any non-compliance with the requirements of the Code. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Code.

As part of our audit of financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board's statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Code requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board for their review and approval its related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justification for using such alternative pricing mechanism. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board upon recommendation of the Audit Committee. We have not carried out any procedure to determine whether the related party transactions were undertaken at arm's length price or not.

Following instances of non-compliance with the requirements of the Code were observed which are not stated in the Statement of Compliance:

- The Company has not implemented the orientation program for its directors as required in clause (xi) of the Code.

Based on our review, except for the above instances of non-compliances, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Code as applicable to the Company for the year ended June 30, 2016.

GRANT THORNTON ANJUM RAHMAN

Chartered Accountants
Engagement Partner: Imran Afzal
Lahore
Date: October 7, 2016

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of ADOS Pakistan Limited (the Company) as at June 30, 2016 and the related profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended and we state that except as stated in paragraph (a) below, we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

Except for the matters stated in paragraph (a) below, we conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining on test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by the management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- a) We were unable to verify the existence, correctness of valuation and nomenclature of items being classified as Stores, spares and loose tools (refer note 10) amounting to Rs. 1,653,593 (2015: Rs. 1,653,593) and Stock in trade (refer note 11) amounting to Rs. 3,264,562 (2015: Rs. 3,264,562) due to non availability of information.
- b) in our opinion, proper books of accounts have been kept by the Company as required by the Companies Ordinance, 1984;
- c) in our opinion: except for the matter stated in paragraph (a) above:
 - i. the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of accounts and are further in accordance with accounting policies consistently applied;
 - ii. the expenditure incurred during the year was for the purpose of the Company's business; and
 - iii. the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company.
- d) In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter referred to in paragraph 1 above, the balance sheet, profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984 in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2016 and of the profit, its cash flows and changes in equity for the year then ended; and



- e) In our opinion, Zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

Grant Thornton Anjum Rahman

Chartered Accountants

Audit Engagement Partner

Imran Afzal

Lahore

Date: October 7, 2016

ADOS PAKISTAN LIMITED
BALANCE SHEET
AS AT JUNE 30, 2016



AS AT JUNE 30, 2016

	Note	JUNE 30 2016	JUNE 30 2015
		Rupees	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	6	70,906,597	45,338,977
Long term loans and advances	7	511,920	681,920
Long term deposits	8	1,401,600	1,401,600
Deferred taxation	9	4,907,421	593,382
		77,727,538	48,015,879
CURRENT ASSETS			
Stores, spares and loose tools	10	1,653,593	1,653,593
Stock in trade	11	66,770,116	66,335,924
Trade debts	12	105,610,205	269,767,775
Advances	13	320,776	26,430,432
Trade deposits and short term prepayments	14	3,811,625	16,168,735
Due from associated company	15	14,887,057	23,167,366
Accrued interest on saving accounts		29,735	151,178
Tax refunds due from the Government	16	156,433,424	114,707,375
Cash and bank balances	17	48,677,491	92,640,971
		398,194,022	611,023,349
TOTAL ASSETS		475,921,560	659,039,228
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
7,000,000 (2015: 7,000,000) ordinary shares of Rs. 10 each		70,000,000	70,000,000
Issued, subscribed and paid up share capital	18	65,826,000	65,826,000
RESERVES			
Revenue reserve-unappropriated profit		174,701,516	201,693,271
TOTAL EQUITY		240,527,516	267,519,271
LIABILITIES			
NON-CURRENT LIABILITIES			
Employees' benefit obligation	19	6,956,551	6,552,524
		6,956,551	6,552,524
CURRENT LIABILITIES			
Trade and other payables	20	222,607,245	381,489,308
Unclaimed dividend		5,830,248	3,478,125
		228,437,493	384,967,433
TOTAL LIABILITIES		235,394,044	391,519,957
TOTAL EQUITY AND LIABILITIES		475,921,560	659,039,228

CONTINGENCIES AND COMMITMENTS 21

The annexed notes 1 to 38 form an integral part of these financial statements.

ZIA AKBAR ANSARI
CHIEF EXECUTIVE & DIRECTOR

JAMAL AKBAR ANSARI
DIRECTOR 17

ADOS PAKISTAN LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2016



	Note	JUNE 30 2016	JUNE 30 2015
		-----Rupees-----	
Revenue-net	22	613,951,665	580,257,047
Cost of sales/services	23	(518,784,358)	(475,178,196)
Gross profit		95,167,307	105,078,851
Selling and distribution expenses	24	(30,751,583)	(29,017,605)
Administrative expenses	25	(48,056,146)	(61,078,394)
Other operating expenses	26	(15,937,217)	(9,847,260)
Other income	27	12,392,104	9,426,315
Profit from operations		12,814,465	14,561,907
Financial cost	28	(3,484,235)	(2,323,214)
Profit before income tax		9,330,230	12,238,693
Taxation	29	(3,623,416)	(8,170,491)
Profit for the year		5,706,814	4,068,202
Earnings per share - basic and diluted	30	0.87	0.62

The annexed notes 1 to 38 form an integral part of these financial statements.

ZIA AKBAR ANSARI
CHIEF EXECUTIVE & DIRECTOR

JAMAL AKBAR ANSARI
DIRECTOR

ADOS PAKISTAN LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2016



	JUNE 30 2016	JUNE 30 2015
	Rupees	
Profit for the year	5,706,814	4,068,202
Re-measurement gain/ (loss) on employees retirement benefits	310,770	(322,696)
Deferred tax charge on re-measurement loss on employees retirement benefits	(96,339)	216,389
Re-measurement of plan obligations - net of tax	214,431	(106,307)
Other comprehensive gain / (loss) for the year	214,431	(106,307)
Total comprehensive income for the year	5,921,245	3,961,895

The annexed notes 1 to 38 form an integral part of these financial statements.

ZIA AKBAR ANSARI
CHIEF EXECUTIVE & DIRECTOR

JAMAL AKBAR ANSARI
DIRECTOR

ADOS PAKISTAN LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2016



	Issued, subscribed and paid up capital	Revenue reserves Unappropriated Profit/(loss) Rupees	Shareholders' equity
Balance as at July 01, 2014	65,826,000	197,731,376	263,557,376
Comprehensive income for the year			
Final dividend for the year ended June 30, 2014	-	-	-
Profit for the year ended June 30, 2015	-	4,068,202	4,068,202
Other comprehensive income for the year:			
Re-measurement loss on employees retirement benefits	-	(322,696)	(322,696)
Deferred tax charge on re-measurement loss on employees retirement benefits	-	216,389	216,389
Re-measurement of plan obligations - net of tax	-	(106,307)	(106,307)
Balance as at June 30, 2015	65,826,000	201,693,271	267,519,271
Comprehensive income for the year			
Final dividend for the year ended June 30, 2015	-	(32,913,000)	(32,913,000)
Profit for the year ended June 30, 2016	-	5,706,814	5,706,814
Other comprehensive income for the year:			
Re-measurement gain on employees retirement benefits	-	310,770	310,770
Deferred tax charge on re-measurement loss on employees retirement benefits	-	(96,339)	(96,339)
Re-measurement of plan obligations - net of tax	-	214,431	214,431
Balance as at June 30, 2016	65,826,000	174,701,516	240,527,516

The annexed notes 1 to 38 form an integral part of these financial statements.

ZIA AKBAR ANSARI
CHIEF EXECUTIVE & DIRECTOR

JAMAL AKBAR ANSARI
DIRECTOR

ADOS PAKISTAN LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2016



	Note	JUNE 30 2016	JUNE 30 2015
		Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before income tax		9,330,230	12,238,693
Adjustment for:			
Depreciation	6.2	9,244,323	6,513,903
Provision for doubtful receivables	12.1	6,700,405	14,464,516
Provision for employees' benefit obligation	19	1,497,097	1,616,030
Provision for WPPF & WWF	26	857,482	800,481
Interest on bank accounts	27	(1,013,967)	(6,410,846)
Financial cost	28	3,484,235	2,323,214
		20,769,575	19,307,298
Operating Profit Before Working Capital Changes		30,099,805	31,545,991
(Increase)/decrease in current assets			
Stock in trade		(434,192)	(48,204,966)
Trade debts		157,457,165	95,459,011
Advances		26,109,656	(25,204,210)
Trade deposits and short term prepayments		12,357,110	(7,420,108)
Due from associated company		8,280,309	(18,218,308)
		203,770,048	(3,588,581)
Increase/(decrease) in current liabilities			
Trade and other payables		(158,904,451)	(141,161,237)
		(158,904,451)	(141,161,237)
Cash generated from/(used in) operations		74,965,402	(113,203,828)
Financial cost paid		(3,484,235)	(2,323,214)
Tax paid		(49,759,842)	(27,572,475)
Gratuity paid		(782,300)	(1,417,423)
WPPF & WWF paid		(835,094)	(2,780,943)
		(54,861,471)	(34,094,055)
Net cash generated from/(used in) operating activities		20,103,931	(147,297,883)
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property, plant and equipment - net of disposals		(34,811,944)	(2,458,074)
Profit realized on bank accounts		1,135,410	6,599,132
Long term loans and advances		170,000	3,867,569
Long term deposits		-	(1,401,600)
Net cash generated from/(used in) investing activities		(33,506,534)	6,607,027
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(32,913,000)	-
Unclaimed dividend		2,352,123	1,212,606
Net cash generated from/(used in) investing activities		(30,560,877)	1,212,606
Net decrease in cash and cash equivalents		(43,963,480)	(139,478,250)
Cash and cash equivalents at the beginning of the year		92,640,971	232,119,221
Cash and cash equivalents at the end of the year		48,677,491	92,640,971

The annexed notes 1 to 38 form an integral part of these financial statements.

ZIA AKBAR ANSARI
CHIEF EXECUTIVE & DIRECTOR

JAMAL AKBAR ANSARI
DIRECTOR

ADOS PAKISTAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016



1 LEGAL STATUS AND OPERATIONS

Ados Pakistan Limited (the "Company") was incorporated in Pakistan under the Companies Ordinance, 1984 on March 5, 1986 as a Private Limited Company and was later on converted into Public Limited Company on April 4, 1989. The Company's registered office is situated at Plot No.292, Street No.3, I-9/3, Islamabad. Its shares are quoted on Pakistan Stock Exchange. The Company has been involved in the supply of oil and gas field related equipment, fabrication and refurbishment of equipment and spare parts used in oil and gas industry. The Company is also engaged in fabrication of vehicles in respect of bullet proofing protection.

2 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) and Islamic Financial Accounting Standards (IFAS) as are notified under Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. In case requirement differs, the requirement of and directives issued under the Companies Ordinance, 1984, shall prevail.

3 STATUS OF STANDARDS AND INTERPRETATIONS

3.1 Standards and interpretations that became effective but not relevant to the Company or do not have material effect

During the year certain amendments to standards or new interpretations became effective, however, the amendments or interpretations did not have any material effect on these financial statements.

3.2 Standards, interpretations and amendments not yet effective

The following revised standards and amendments and interpretations to the approved accounting standards, as applicable in Pakistan, would be effective from the dates mentioned below against the respective standard.

		Effective date (annual periods beginning on or after)
LAS 1	Presentation of Financial Statements (Amendments)	January 1, 2016
LAS 7	Statement of Cash Flows - Disclosure Initiative (Amendment)	January 1, 2016
LAS 12	Income taxes - Recognition of deferred tax assets for unrealized losses - (Amendment)	January 1, 2017
LAS 16	Property, Plant and Equipment - Clarification of acceptable method of depreciation (Amendments)	January 1, 2016
LAS 19	Employee Benefits (Amendments)	January 1, 2016
LAS 27	Separate Financial Statements - Equity method in separate financial statements (Amendments)	January 1, 2016
LAS 28	Associates and Joint Ventures - Investment entities applying consolidation exceptions (Amendment)	January 1, 2016
LAS 34	Interim Financial Reporting (Amendments)	January 1, 2016
LAS 38	Intangible Assets - Clarification of acceptable method amortization (Amendments)	January 1, 2016
LAS 41	Agriculture Bearer Plants - Amendments to LAS 16 and LAS 41	January 1, 2016
IFRS 2	Share based payments - Classification and measurement of share based payments transaction (Amendment)	January 1, 2018
IFRS 5	Non-Current Assets Held for Sale and Discontinued Operations (Amendments)	January 1, 2016
IFRS 7	Financial Instruments: Disclosures (Amendments)	January 1, 2016
IFRS 10	Consolidated Financial Statements - Investment entities applying consolidation exceptions (Amendment)	January 1, 2016
IFRS 11	Joint Arrangements - Accounting for acquisitions of interests in joint operations (Amendments)	January 1, 2016
IFRS 12	Disclosure of interests in other entities - Investment entities applying consolidation exceptions (Amendment)	January 1, 2016
IFRS 10 & LAS 28	Sale or Contribution of assets between an investor and its associate or joint venture (Amendment)	Not yet Finalized



The management anticipates that the adoption of the above standards, amendments and interpretations in future periods, will have no material impact on the financial statements other than the impact on presentation/disclosures. The Company is yet to assess the full impact of the amendments.

The Company has adopted the following accounting standards and amendments and interpretations of IFRSs which became effective for the current year

IFRS 12	Disclosure of Interests in other entities
IFRS 13	Fair Value measurement

The adoption of above accounting standards did not have any effect on the financial statements.

3.3 Standards, interpretations and amendments not yet adopted

Further, the following new standards and interpretations have been issued by the International Accounting Standards Board (IASB), which are yet to be notified by the Securities and Exchange Commission of Pakistan (SECP), for the purpose of their applicability in Pakistan:

IFRS 1	First-time Adoption of International Financial Reporting Standards
IFRS 9	Financial Instruments
IFRS 14	Regulatory Deferral Accounts
IFRS 15	Revenue from Contracts with Customers
IFRS 16	Leases

The following interpretations issued by the IASB have been waived of by SECP:

IFRIC 4	Determining Whether an Arrangement Contains Lease
IFRIC 12	Service Concession Arrangements

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies that have been used in the preparation of these financial statements are summarized below. These policies have been consistently applied to all the years presented, unless otherwise stated. Financial statements, except for cash flow statement, have been prepared under accrual basis of accounting.

All accounting estimates and assumptions that are used in preparing the financial statements are consistent. Judgments are based on the information available at each balance sheet date. Although these estimates are based on the best information available to management, actual results may ultimately differ from those estimates.

4.1 Basis of measurement

These financial statements have been prepared under the historical cost convention except:-
Employees' benefit obligation (refer note 4.10).

4.2 Operating segments

Operating segments are reported in a manner consistent with internal reporting by management of the Company. The management has determined that the Company has a single reportable segment as the Board of Directors view the Company's operation as one reportable segment.

4.3 Property, plant and equipment

Property, plant and equipment are initially recognized at acquisition cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the Company's management. Subsequently, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses if any, except leased hold land held for business use is stated at leased amount less amortized amount.

Material residual value estimates are updated as required, but at least annually, whether or not the asset is revalued.

Depreciation is provided on reducing balance method to write down cost less accumulated residual value of property, plant and equipment over the estimated useful lives of the assets at rates specified below.

• Lease hold land	10%
• Factory building on leasehold land	10-20%
• Plant and machinery	10%
• Tools and lab equipment	10%
• Office equipment	10%
• Furniture and fixtures	10%
• Carpets and curtains	10%
• Vehicles	20%



Depreciation on additions is charged from the month of acquisition and on disposals up to the month the asset is in use. Maintenance and normal repairs are charged to profit and loss as and when incurred. Major renewals and improvements are capitalized.

Residual values are determined by the management as the amount it expects it would receive currently for an item of property, plant and equipment if it was already of the age and in the condition expected at the end of its useful life based on the prevailing market prices of similar assets already at the end of their useful lives.

Useful lives are determined by the management based on the expected usage of assets, physical wear and tear, technical and commercial obsolescence, legal and similar limits on the use of the assets and other similar factors.

Disposal of assets and non-current assets

The gain or loss arising on the disposal of an asset is determined as the difference between the disposal proceeds and the carrying amount of the asset and is recognized in the profit and loss. The gain or loss arising from the sale of non-current assets is generally included in "other income" or "other operating expense" in the profit and loss.

4.4 Financial instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are de-recognized at the time when the Company loses the control of the contractual rights that comprise the financial assets. Financial liabilities are de-recognized at the time when obligation specified in the contract is discharged, cancelled or expired.

Financial assets and financial liabilities are set off and net amount is reported in the balance sheet if the Company has legal right to set off the transaction and also intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

4.4.1 Financial assets

4.4.1.1 Classification

The management determines the appropriate classification of the financial instruments in accordance with the requirements of International Accounting Standard (IAS 39) "Financial Instruments: Recognition and Measurement" for subsequent measurement.

The classification depends on the purpose for which the financial assets are acquired. The Company determines the classification of its financial assets at initial recognition and, where allowed and appropriate, reevaluates the designation at each balance sheet date.

a) Available for sale financial assets

Financial assets intended to be held for an indefinite period of time which may be sold in response to needs for liquidity or changes in equity prices are classified as available for sale. Available for sale financial instruments are those non-derivative that are designed as available for sale or not classified as (b) held to maturity (c) loan and receivables and (d) financial assets at fair value through profit and loss.

b) Held-to-maturity Investment (HTM)

Investments held-to-maturity are non-derivative financial assets which carry fixed or determinable payments and fixed maturities other than loans and receivables. Investments are classified as HTM if the company has the positive intention and ability to hold to maturity. HTM investments are measured subsequently at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

c) Loans and receivables

Loans and receivables include trade debts, advances, trade deposits, accrued interest and cash and bank balances.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are initially measured at fair value plus directly attributable transaction costs. After initial measurement, loans and receivables are subsequently measured at amortized cost using the effective interest rate method less impairment, if any. Discounting is ignored when immaterial. These are classified as current and non-current assets in accordance with criteria set out by IFRSs.

Receivables are assessed on regular basis for impairment and if there is any doubt about the recoverability of these receivables, appropriate amount of provision is made.

d) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss. Financial assets carried at fair value through profit and loss are initially recognised at fair value and transaction costs are expensed in the profit and loss account. A financial asset is classified as held for trading if acquired principally for the purpose of selling in the short term. Assets in this category are classified as current assets. Financial assets at fair value through profit and loss are subsequently carried at fair value.



e) Held to maturity

Held to maturity are financial assets with fixed or determinable payments and fixed maturity, where management has the intention and ability to hold till maturity are carried at amortized cost. Held to maturity financial assets are initially measured at fair value plus directly attributable transaction costs. Held to maturity investments are subsequently carried at amortized cost using effective interest rate method.

4.4.2 Financial Liabilities

All financial liabilities are recognised at the time when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities, other than those at fair value through profit or loss, are measured at amortised cost using the effective yield method.

The Company's financial liabilities include trade and other payables. Discounting is omitted where the effect of discounting is immaterial. Trade and other payables are initially recognized at fair value less any directly attributable transaction cost.

4.5 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which Company operates. These financial statement are presented in Pakistani Rupees, which is the Company's functional and presentational currency. All financial information presented in Pak Rupees is rounded to nearest rupee.

4.6 Stores and loose tools

Stores and loose tools are valued at lower of cost and net realizable value (NRV).

Net realizable value signifies the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Non significant stores and loose tools are charged to profit and loss account when purchased.

4.7 Stock-in-trade

Stock in trade is valued at lower of cost and estimated net realizable value. Stock in trade comprise of raw-material, work in process and finished goods, while basis of valuation is weighted average cost.

Raw material cost comprises invoice values plus other related charges paid thereon. Net realizable value signifies estimated selling price in the ordinary course of business less costs necessary to be incurred in order to make a sale.

4.8 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at fair value. For the purpose of cash flow statement, cash and cash equivalents comprise cash and cheques in hand, bank balances, demand deposits, other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value and running finances under mark up arrangements.

4.9 Taxation

a) Current

Provision for current taxation is based on taxable income at the current tax rates after taking into account tax rebates and tax credits available, if any, and tax paid on presumptive basis.

b) Deferred

Deferred tax is recognized using the balance sheet liability method on all temporary differences between the carrying amount of the assets and liabilities and their tax bases.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted at the balance sheet date. Deferred tax liabilities are always provided for in full. Deferred tax assets are recognized to the extent that it is probable that they will be able to be offset against future taxable profit and the carrying amount of the deferred tax asset is reviewed at each balance sheet date. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Changes in deferred tax assets or liabilities are recognized as a component of tax expense in the profit and loss account, except where they relate to items that are charged or credited directly to the statement of other comprehensive income in which case the related deferred tax is also charged or credited directly to the statement of other comprehensive income.

Unrecognised deferred income tax assets are reassessed at each balance sheet date and are recognised to the extent that it becomes probable that future taxable profit will allow deferred tax asset to be recovered.



4.10 Defined benefits plans

The Company operates an unfunded gratuity scheme covering all eligible employees completing the minimum qualifying period of service as specified by the scheme. Provision is made annually to cover obligations under the scheme in accordance with actuarial recommendations. Projected Unit Credit Method has been used for actuarial valuation carried out by an independent actuary as of 30 June, 2016. The results of current valuation are summarized in note 19.

The actuarial gains or losses at each evaluation date are charged to other comprehensive income. The amount recognized in the balance sheet represents the present value of defined benefit obligations.

Calculation of gratuity requires assumptions to be made of future outcomes which mainly increase in remuneration, expected long term return on plan assets and the discount rates used to convert future cash flows to current values. Calculations are sensitive to changes in the underlying assumptions.

4.11 Provisions

Provision is recognized when the Company has a present obligation as a result of past event, probably will result in an outflow of economic benefits and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the balance sheet date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Long term provisions are discounted to their present values, where the time value of money is material.

4.12 Related party transactions

Sale and purchase transactions with related parties are carried out at arm's length price under the comparable uncontrolled price method. All other transactions are carried out on the basis of mutually agreed terms.

4.13 Revenue recognition

Revenue is measured by reference to the fair value of consideration received or receivables excluding sales tax, rebates and trade discounts. The Company applies the revenue recognition criteria set out below to each separately identifiable component of revenue.

Sales are recorded on dispatch of goods to customers.

Revenue from repair services is recognized as and when services are rendered.

Interest income is recorded on a time proportional basis.

Cumulative gain or losses previously recognized in equity on revaluation of fair values of 'available for sale' financial assets are recognized in income at the time of derecognition of available for sale assets.

4.14 Foreign currency transactions and translation

Transactions in foreign currencies are translated into Pak Rupees at the rates of exchange prevailing on the date of transaction. All monetary assets and liabilities denominated in foreign currencies are translated into Pak Rupees at the exchange rates prevailing at the balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary balance sheet items at year end exchange rates are recognized in profit and loss account.

4.15 Equity and dividend payments

Share capital represents the nominal value of shares that have been issued.

Revenue reserve include all current and prior period profits as disclosed in the profit and loss.

Interim dividend distributions are recognized in the period in which the dividends are declared by the Board of Directors, while final dividend distributions are recognized as liability in the financial statements in the period in which the dividend are approved by the Company's shareholders at the Annual General Meetings.

4.16 Proposed dividends and transfer between reserves

Dividend declared and transfers between reserves made subsequent to the balance sheet date are considered as non-adjusting events and are recognised in the financial statements in the period in which such dividends are declared / transfers are made.



4.17 Expense recognition, borrowing costs

Operating expenses are recognized in the profit and loss account upon utilization of the service or at the date of their origin. Interest expenses are reported on an accrual basis. Borrowing costs relating to the acquisition, construction or production of a qualifying asset are recognized as a part of the cost of that asset. All other borrowing costs are recognized as an expense in the period in which these are incurred.

4.18 Impairment

4.18.1 Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

4.18.2 Non-financial assets

The carrying amounts of non financial assets are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognized, as an expense in the profit and loss account, for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each balance sheet date. Reversals of the impairment loss are restricted to the original cost of the assets. An impairment loss or reversal of the impairment loss is recognized in income for the year.

4.19 Contingent liability

Contingent liability is disclosed when:

- there is possible obligation that arise from past event and whose existence will be confirmed only on the occurrence of one or more uncertain future events not wholly within the control of the Company; or
- there is a present obligation that arise from past event but is not probable that an outflow of resources embodying economic benefit will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

4.20 Operating leases/ Ijarah Contracts

Leases in which a significant portion of the risks and rewards of ownership is retained by the lessor are classified as operating leases. Payments made under operating leases / Ijarah contracts are charged to profit and loss on a straight-line basis over the period of the lease.

5 CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

Estimates and judgments are continually evaluated and are based on historical expenditure and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below:

- (a) Depreciation on property, plant and equipment;
- (b) Recoverable amount and related impairment of depreciable, amortizable and financial assets;
- (c) Provision for taxation and related deferred tax liability;
- (d) Liability against employees' benefit; and
- (e) Other provision, contingent liabilities and contingent assets.

However, assumptions and judgments made by the management in the application of accounting policies that have significant effect on the financial statements are not expected to result in material adjustment to the carrying amounts of assets and liabilities in the foreseeable period.

ADOS PAKISTAN LIMITED

NOTES TO THE FINANCIAL STATEMENTS
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6 PROPERTY, PLANT AND EQUIPMENT

Particulars	Rupees								
	Lease hold land	Factory building on lease hold land	Plant and machinery	Tools and lab equipment	Office equipment	Furniture and fixture	Carpets and curtains	Vehicles	Total
2016									
Gross carrying amount	15,663,368	28,817,986	84,290,913	5,842,580	9,381,500	2,958,457	143,111	20,380,947	167,478,862
Additions	-	-	-	618,000	362,000	45,000	-	33,786,943	34,811,943
Disposals	-	-	-	-	-	-	-	-	-
Balance as at June 30, 2016	15,663,368	28,817,986	84,290,913	6,460,580	9,743,500	3,003,457	143,111	54,167,890	202,290,805
Amortization/Depreciation									
Balance as at July 01, 2015	(6,748,702)	(23,879,375)	(68,139,209)	(5,141,120)	(3,957,036)	(2,419,454)	(124,704)	(11,730,285)	(122,139,885)
Amortization/Depreciation	(891,467)	(732,491)	(1,615,169)	(126,796)	(601,530)	(54,268)	(1,841)	(5,220,761)	(9,244,323)
Balance as at June 30, 2016	(7,640,169)	(24,611,866)	(69,754,378)	(5,267,916)	(4,558,566)	(2,473,722)	(126,545)	(16,951,046)	(131,384,208)
Carrying amount as at June 30, 2016	8,023,199	4,206,120	14,536,535	1,192,664	5,184,934	529,735	16,566	37,216,844	70,906,597

2015									
Gross carrying amount	15,663,368	28,817,986	84,290,913	5,842,580	6,923,426	2,958,457	143,111	20,380,947	165,020,788
Additions	-	-	-	-	2,438,074	-	-	-	2,438,074
Balance as at June 30, 2015	15,663,368	28,817,986	84,290,913	5,842,580	9,361,500	2,958,457	143,111	20,380,947	167,478,862
Amortization/Depreciation									
Balance as at July 01, 2014	(5,758,184)	(22,999,211)	(66,344,583)	(5,063,180)	(3,410,981)	(2,359,565)	(122,659)	(9,567,619)	(115,625,982)
Amortization/Depreciation	(990,518)	(880,164)	(1,794,626)	(77,940)	(546,055)	(59,889)	(2,045)	(2,162,666)	(6,513,903)
Balance as at June 30, 2015	(6,748,702)	(23,879,375)	(68,139,209)	(5,141,120)	(3,957,036)	(2,419,454)	(124,704)	(11,730,285)	(122,139,885)
Carrying amount as at June 30, 2015	8,914,666	4,938,611	16,151,704	701,460	5,424,464	539,003	18,407	8,650,662	45,338,977



ADOS PAKISTAN LIMITED
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- 6.1 Lease hold land includes Rs. 14.25 million relating to land measuring 10 acres in Industrial Estate of Hattar for setting up repair, maintenance and manufacturing of oil field and communication equipments allotted by Sarhad Development Authority (SDA) on a lease term basis of 99 years. A civil suit has been filed by Surban Textile Mills Limited against Chairman SDA and others for allotment of the same to the Company, further explained in Note: 21.3.

	Note	2016 Rupees	2015 Rupees
6.2 Depreciation charge for the year has been allocated as under:			
Cost of sales/services	Note: 23	3,365,924	3,744,255
Administrative expenses	Note: 25	5,878,399	2,769,648
		<u>9,244,323</u>	<u>6,513,903</u>

7 LONG TERM LOANS AND ADVANCES

Considered good - Secured			
Executives	Note 7.1	65,364	60,364
Other employees		446,556	621,556
	Note 7.2 & 7.3	<u>511,920</u>	<u>681,920</u>

7.1 Reconciliation of carrying amount of advances given to executives:			
Balance at the beginning of the year		60,364	1,080,000
Disbursements during the year		5,000	955,000
Less: Repayments during the year		-	1,974,636
Balance at the end of the year		<u>65,364</u>	<u>60,364</u>

- 7.2 The above advances were given in accordance with the Company's service rules, with no fixed repayment terms. Any outstanding loan due from employees is adjustable against employees benefit/gratuity. This year includes amount extended to executives Rs. 65,364 (2015: Rs. 60,364)

- 7.3 The maximum amount due from an executive at the end of any month during the year was Rs. 175,364 (2015: 1,070,000)

8 LONG TERM DEPOSITS

	Note	2016 Rupees	2015 Rupees
Long term deposits	Note: 8.1	1,401,600	1,401,600
Margin deposits and bid money- doubtful		5,283,711	5,283,711
		<u>6,685,311</u>	<u>6,685,311</u>
Less: Provision for impairment		<u>(5,283,711)</u>	<u>(5,283,711)</u>
Long term deposits		1,401,600	1,401,600

- 8.1 This represents security deposit held by the Bank Islami against Ijarah of two (2) vehicles amounting to Rs. 1,401,600 (2015: 1,401,600).

9 DEFERRED TAXATION

Deferred taxes arising from temporary differences can be summarized as follows:

	Balance as at 30 June 2015	Recognized in/through		Balance as at 30 June 2016
		Profit and loss Account	Comprehensive Income	
Taxable temporary difference:				
- on accelerated tax depreciation	(3,876,598)	276,542	-	(3,600,056)
Deductible temporary difference:				
- Stores and loose tools	378,363	(11,824)	-	366,539
- Trade debts	1,289,858	1,706,609	-	2,996,467
- Long term loans and advances	880,000	(880,000)	-	-
- Long term deposits	1,690,788	(52,838)	-	1,637,950
- Employees' benefit obligations	2,313,197	(60,327)	(96,339)	2,156,531
- Trade payables	(2,082,226)	3,432,216	-	1,349,990
Net deferred tax asset/(liability)	593,382	4,410,377	(96,339)	4,907,421

10 STORES, SPARES AND LOOSE TOOLS

	Note	2016 Rupees	2015 Rupees
Stores		926,907	926,907
Loose tools	Note: 10.1	726,686	726,686
Stores, spares and loose tools		1,653,593	1,653,593

ADOS PAKISTAN LIMITED
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10.1	Loose tools			
	Loose tools		1,909,070	1,909,070
	Less: Provision for obsolete and slow moving items		(1,182,384)	(1,182,384)
	Loose tools		726,686	726,686
11	STOCK IN TRADE			
	Raw materials	Note: 23.1	65,286,116	64,851,924
	Finished goods		1,484,000	1,484,000
	Stock in trade		66,770,116	66,335,924
12	TRADE DEBTS - UNSECURED			
		Note	2016	2015
			Rupees	Rupees
	Considered			
	- good		105,610,205	269,767,775
	- doubtful		13,131,210	6,430,805
			118,741,414	276,198,580
	Less: Provision for impairment in trade debts	Note: 12.1	(13,131,209)	(6,430,805)
	Trade debts		105,610,205	269,767,775
12.1	Provision for impairment in trade debts			
	Balance at July 01		6,430,805	29,707,138
	Provision made during the year	Note: 25.5	6,700,405	6,430,805
	Less: Write off		-	(29,707,138)
	Balance at June 30		13,131,210	6,430,805
12.2	The status of past dues relating to trade debts has been disclosed in note 34.2 (b).			
13	ADVANCES			
		Note	2016	2015
			Rupees	Rupees
	Advances - unsecured, considered good			
	Short term loans and advances to employees	Note: 13.1	320,776	207,232
	Other advances		-	26,223,200
	Advances		320,776	26,430,432
13.1	This includes an amount of Rs. 310,000 (2015: Rs. 120,000) given to executive. Rs. 110,000 is adjustable against the future salary and Rs. 200,000 is adjustable against operational purchase.			
14	TRADE DEPOSITS AND SHORT TERM PREPAYMENTS			
		Note	2016	2015
			Rupees	Rupees
	Security deposits		-	667,720
	Margin deposits and bid money	Note: 14.1	2,295,400	13,503,989
			2,295,400	14,171,709
	Prepayments		1,516,225	1,997,026
	Trade deposits and short term prepayments		3,811,625	16,168,735
14.1	This includes bid money amounted to Rs. 1.779 million (2015: Rs. 12.99 million) deposited against tender for armoring of vehicles for Punjab Police department and Headquarter Intelligence Division.			
15	DUE FROM ASSOCIATED COMPANY			
		Note	2016	2015
			Rupees	Rupees
	Akbar Associates (Private) Limited	Note: 15.1	14,887,057	23,167,366
15.1	This includes advances given to Akbar Associates (Private) Limited for common expenses and on average balances interest is charged at six monthly KIBOR plus 2.00%.			

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16 TAX REFUNDS DUE FROM THE GOVERNMENT

	2016 Rupees	2015 Rupees
Opening balance	113,566,964	85,764,694
Deducted at source during the year	50,673,453	26,463,581
Less: provision for taxation	(8,033,793)	1,338,689
Advance tax - net of provision	156,206,624	113,566,964
Sales tax refunds	226,800	1,140,411
Taxation refundable	156,433,424	114,707,375

17 CASH AND BANK BALANCES

Cash in hand	11,946	7,561
Cash at banks:		
Local currency:		
Savings accounts	Note: 17.1	6,466,926
Current accounts	Note: 17.2	41,040,739
Foreign currency current accounts		1,157,880
Cash and bank balances	48,677,491	92,640,971

17.1 The range of interest on these saving accounts is 3.00 % - 7.00 % per annum (2015: 3.50 % - 8.00% per annum).

17.2 This includes an amount of Rs. 20.268 million (2015: Rs. 20.68 million) under lien against performance bonds. (refer note 21.1).

18 ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

The share capital of Ados Pakistan Limited consists only of ordinary shares with a par value of Rs.10 each. All shares are equally eligible to receive dividend.

2016 Number	2015 Number		2016 Rupees	2015 Rupees
6,582,600	6,582,600	Ordinary shares of Rs. 10 each issued and fully paid in cash	65,826,000	65,826,000

18.1 These includes 106,000 shares held by the Akbar Associates (Private) Limited, an associated company.

19 EMPLOYEES' BENEFIT OBLIGATION

	2016 Rupees	2015 Rupees
Employees' gratuity	6,956,551	6,552,524
The employees' benefit obligation as at the balance sheet date for the reporting year are as follows:		
Present value of defined benefit obligation	4,720,844	4,714,059
Benefit payable	2,235,707	1,838,465
Net liability at the end of the year	6,956,551	6,552,524
Movement in the present value of defined benefit obligation (DBO) is as follows:		
Present value of DBO at the beginning of the year	4,714,059	4,610,347
Current service cost	1,094,979	1,126,729
Interest cost	402,118	489,301
Benefit payable	(397,242)	(423,652)
Benefit paid	(782,300)	(1,411,362)
Remeasurments:		
Actuarial (gains)/losses from changes in financial assumptions	(11,376)	-
Experience adjustments	(299,394)	322,696
Present value of defined benefit obligation at the end of the year	4,720,844	4,714,059
Expense recognized in profit and loss account:		
Current service cost	1,094,979	1,126,729
Interest cost	402,118	489,301
Provision of employees' benefit	1,497,097	1,616,030
Expense is recognized in the following line items in profit and loss account:		
Cost of sale/services	Note: 23.2	1,345,218
Administrative expenses	Note: 25.1	151,880
	1,497,098	1,616,030



Principal actuarial assumptions used were as follows:

Discount rate per annum	7.25%	9.75%
Expected rate of increase in eligible salary per annum	6.25%	8.75%
	SLIC	SLIC
Mortality rate	2001-2005	2001-2005
	Mortality table	Mortality table
	8 years	8 years

Average expected remaining working life time of employees

These assumptions have been developed by management with assistance of independent actuarial appraisers. Discount rate is determined by reference to market yields on government bonds since long-term private sector bonds market is not deep enough in Pakistan. Rate of salary growth reflects regular / special increments and any promotional increase.

Detail of present value of employees' benefit obligation.

	2016	2015	2014	2013	2012
			Rupees		
Present value of defined benefit obligation	4,720,844	4,714,059	4,610,346	4,352,756	3,660,684

Estimated charge to profit and loss for the next year is Rs. 1,379,771.

20 TRADE AND OTHER PAYABLES

	Note	2016 Rupees	2015 Rupees
Creditors - unsecured		197,805,378	362,435,883
Accrued liabilities		7,032,973	8,007,921
Advance from customer	Note: 20.1	7,677,700	1,350,000
Sales tax payable		-	6,941
Tax deducted at source		62,396	-
Workers' Profit Participation Fund (WPPF)	Note: 20.2	782,032	835,094
Employees' income tax payable		-	2,811
Workers' Welfare Fund (WWF)		9,200,034	8,811,424
Other liabilities		46,732	39,234
Trade and other payables		222,607,245	381,489,308

20.1 This include advance received from Saudi Relief Fund, amounting to Rs. 1.35 million (2015: Rs. 1.35 million) for the supply of rotary drilling rigs, the adjustment of which is subject to pending litigation as disclosed in note 21.2 to the financial statements and remaining amount represents advances received from customers pertaining to armoring of vehicles.

	Note	2016 Rupees	2015 Rupees
20.2 Workers' Profit Participation Fund			
Balance as at July 01		835,094	2,780,943
Charge for the year	Note: 26	468,872	560,337
Interest for the year	Note: 28	313,160	274,757
Transfer to fund during the year		(835,094)	(2,780,943)
Balance as at June 30		782,032	835,094

21 CONTINGENCIES AND COMMITMENTS

Bank guarantees and bid bonds	Note: 21.1	136,409,295	47,025,202
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21.1 These include Performance bonds/bid bonds issued in favour of various customers for the supply of goods and performance of services through NIB Bank Limited with outstanding balance of Rs. 20.268 million (2015: Rs. 20.268 million) as at the balance sheet date. The facility is secured against 100 % lien on deposit in current account of the Company.

There are outstanding guarantees issued by Bank Alfalah Limited amounting to Rs. 14.4 million (2015: Rs. 13.635 million) on behalf of the Company, in favour of various Government and other organizations. This facility is secured by cash margin of Rs. 4.47 million (2015: Rs. 4.47 million).

Further, there are outstanding guarantees issued by Bank Islami Pakistan Limited amounting to Rs. 101.741 million (2015: Rs. 13.122 million) on behalf of the Company, in favour of various organizations. The facility is secured against 2% lien over bid bond, 5% lien over performance bond, 10% lien over advance mobilization guarantee and 1% charge over present and future current and fixed assets of the Company amounting to Rs. 334 million.

At the year end Company has not utilized credit facilities of Rs. 483.66 million against available facilities of Rs. 600 million.



- 21.2** M/s Saudi Relief Committee for Pakistan (SCRC) instituted a petition for the recovery of contractual amount Rs.6,750,000 + Penalty of 10% amounting to Rs. 675,000 together with damages of US\$ 1.4 million and Rs. 20 Million as damages, out of the said amount M/s SCRC was awarded an amount of Rs.6,750,000 + Penalty of 10% amounting to Rs. 675,000 rest of the claim of US\$ 1.4 million and Rs. 20 Million as damages was disallowed. M/s SCRC has now instituted execution petition for the recovery of awarded/contractual amount of Rs.6,750,000 + Penalty of 10% amounting to Rs. 675,000. The Islamabad High Court in an appeal filed by the Company has stayed the execution proceedings. Moreover, The civil judge Islamabad, vide order dated January 07, 2011 has drawn the decree sheet to make the aforesaid award rule of the court and against that order the Company has filed an appealed before the Islamabad High Court, Islamabad, which is pending adjudication. Further, an appeal has been instituted by the Company to challenge the legality and validity of the order dated March 03, 2015 whereby the executing court has passed an order for amendment of decree. Consequently the operation of the impugned order dated March 03, 2015 has been suspended and the appeal is likely to be fixed for hearing during current month. Management based on opinion of the legal advisor, is hopeful of a positive decision in its favor. Consequently, no provision has been made in these financial statements for payment of the contractual/awarded amount and the penalty.
- 21.3** Lease hold land includes Rs. 14.25 million relating to land measuring 10 acres in Industrial Estate of Hattar for setting up repair, maintenance and manufacturing of oil field and communication equipments allotted by Sarhad Development Authority (SDA) on a lease term basis of 99 years. A civil suit has been filed by Surban Textile Mill Limited against Chairman SDA and others for allotment of the same to the Company. The Company has become a party in the said suit to protect and project its rights in the suit land. The suit land has now been allotted to the Company and the proceedings of the case is in progress. The management expects a favourable decision based on legal advisor assessments and merits of the case.
- 21.4** Rectification application has been filed by the Company to Inland Revenue Department for assessment year 2002-03 under section 156 of the repealed income tax ordinance 1979 read with section 221 (1A) of Income Tax Ordinance, 2001 for carrying forward of tax losses (business and un-absorbed depreciation) under section 35 of repeal ordinance read with section 57 of the Income Tax Ordinance, 2001. The correction requested by the Company was of Rs. 38,750,951 which was incorrectly made as Rs. 8,669,664. The Assistant Commissioner Inland Revenue (ACIR) vide its order dated March 03, 2011 rejected the rectification application and imposed additional penalty of Rs. 170,148 and Rs. 242,878 for tax year 2006 and 2007 respectively. On the application of the Company to Commissioner Inland Revenue (CIR) (Appeal-I) which directed ACIR vide order dated September 16, 2011 that the claim of the appellant as regards to brought forward losses has not been looked into in its proper perspective by the ACIR before imposing additional tax. It is directed that a proper position of brought forward losses may be determined first. Only then if there is any outstanding demand that has not been paid timely, additional tax may be imposed. The Inland Revenue Department and Company separately appealed to Appellate Tribunal Inland Revenue (ATIR), against the remand back order of CIR (Appeal-I). ATIR remanded back the case to Commissioner (Appeals) for disposal by passing speaking order on the ground of appeals. Consequently, the case is now pending with the CIR (Appeals-I) Islamabad. The management is confident that the case will be decided in the favour of the Company and consequently no provision for additional tax has been provided in these financial statements and Deferred tax impact has not been made in these financial statements.

Commitments

Commitments for rentals under operating lease agreements/ Ijarah contracts as at June 30, 2016 are as follows:

	2016 Rupees	2015 Rupees
Not later than one year	3,495,048	3,884,095
Over one year to five years	1,330,012	4,220,224
Commitments	4,825,060	8,104,319

22 REVENUE-NET

	Note	2016 Rupees	2015 Rupees
Gross sales		616,292,932	581,668,181
Sales tax		(2,194,711)	(839,994)
Revenue-net of sales tax		614,098,221	580,828,187
Discount allowed		(146,556)	(371,140)
Revenue-net		613,951,665	580,257,047

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23 COST OF SALES/ SERVICES

	Note	2016 Rupees	2015 Rupees
Raw materials consumed	Note: 23.1	465,409,160	405,567,851
Salaries, wages and benefits	Note: 23.2	19,104,596	21,264,229
Factory rent		4,273,226	3,879,547
Repair and maintenance		1,450,570	978,248
Travelling and conveyance		1,671,400	1,922,430
Vehicle running and maintenance		2,850	9,022
Electricity, water and gas		3,280,417	4,513,314
Telephone and postage		105,481	100,221
Carriage and freight		2,061,597	1,362,430
Royalty and equipment rentals		1,606,086	1,665,586
Clearing and service charges		9,371,573	26,619,753
Other factory overheads		7,081,478	3,551,308
Depreciation	Note: 6.2	3,365,924	3,744,255
Cost of sales/ services		518,784,358	475,178,196
23.1 Raw materials consumed			
Opening balance as on July 01		64,851,924	16,646,958
Add: Purchases during the year		465,843,352	453,772,817
		530,695,276	470,419,775
Less: Closing balance as on June 30	Note: 11	(65,286,116)	(64,851,924)
Raw materials consumed		465,409,160	405,567,851

23.2 These include an amount in respect of employees' benefit obligation of Rs. 1,345,218 (2015: Rs.1,539,981) (refer to note: 19).

24 SELLING AND DISTRIBUTION EXPENSES

	Note	2016 Rupees	2015 Rupees
Advertisement and sales promotion		54,000	364,299
Marketing expenses	Note: 24.1	30,697,583	28,653,306
Selling and distribution expenses		30,751,583	29,017,605

24.1 Marketing expenses

Marketing expenses are being paid to Akbar Associates (Private) Limited, an associated company @ maximum of 5% of the revenue for services rendered to the Company.

25 ADMINISTRATIVE EXPENSES

	Note	2016 Rupees	2015 Rupees
Salaries and other benefits	Note: 25.1	6,376,571	7,423,034
Directors' remuneration		11,203,156	11,216,022
Travelling and conveyance		1,390,368	2,802,517
Rent, rate and taxes	Note: 25.2	6,943,944	7,532,951
Legal and professional charges		67,916	481,560
Fee and subscription		920,451	2,498,183
Electricity, gas and water		901,108	1,002,572
Repair and maintenance		1,407,670	2,074,724
Insurance		1,102,276	1,218,032
Printing, stationary and periodicals		1,156,304	906,210
Postage, telex and telephone		1,412,325	2,451,985
Entertainment and staff welfare		949,303	1,443,483
Depreciation	Note: 6.2	5,878,399	2,769,648
Auditors' remuneration	Note: 25.3	750,000	700,000
Donations	Note: 25.4	446,880	1,264,387
Provision and write offs	Note: 25.5	6,700,405	14,603,357
Miscellaneous expenses		449,070	689,728
Administrative expenses		48,056,146	61,078,394

25.1 These include an amount in respect of employees' benefit obligation of Rs. 151,880 (2015: Rs. 76,049) (refer to note: 19).

25.2 This includes ijarah payments under ijarah which under Islamic Financial Accounting Standard (IFAS-2) "Ijarah" are recognized as expenses in profit and loss account on straight line basis over the Ijarah term.

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25.3 Auditors' remuneration

	2016 Rupees	2015 Rupees
Annual audit fee	550,000	525,000
Half-yearly review fee	95,000	85,000
Review of CCG	70,000	60,000
Certification	35,000	30,000
Auditors' remuneration	750,000	700,000

25.4 Donations do not include any amount paid to any person or any organization in which a director or his spouse had any interest.

25.5 Provision and write-offs

	Note	2016 Rupees	2015 Rupees
Provision for doubtful debts	Note: 12.1	6,700,405	6,430,805
Write-offs		-	138,841
Provision and write-offs		6,700,405	6,569,646

26 OTHER OPERATING EXPENSES

Workers' profit participation fund	Note: 20.2	468,872	560,337
Workers' welfare fund		388,610	240,143
Net exchange loss		6,769,058	9,046,781
Liquidity damages - customer		8,310,677	-
Other operating expenses		15,937,217	9,847,260

27 OTHER INCOME

Income from financial assets			
Interest income - Banks		1,013,967	6,410,846
Other income		1,002,352	715,805
		2,016,319	7,126,651
Income from receivable to related party			
Interest income - Associated company	Note: 15.1	5,209,085	1,222,475
		5,209,085	1,222,475
Income from non financial assets			
Scrap sale		625,330	-
Late delivery charges vendors		4,528,310	-
Gain on disposal of property, plant and equipment		-	-
Other income		13,060	1,077,189
		5,166,700	1,077,189
Other income		12,392,104	9,426,315

28 FINANCIAL COST

Interest on Workers' Profit Participation Fund	Note: 20.2	313,160	274,757
Murabaha profit- shared		1,715,096	1,072,543
Bank charges		1,455,979	975,914
Financial cost		3,484,235	2,323,214

29 TAXATION

- for the year	Note: 29.1	7,045,566	5,802,570
- prior year		988,227	(7,141,259)
- deferred tax	Note: 9	(4,410,377)	9,509,180
Income tax expense		3,623,416	8,170,491

29.1 Relationship between tax expense and accounting profit:

Profit before taxation (2015: Turnover)		9,330,230	580,257,047
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**NOTES TO THE FINANCIAL STATEMENTS
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	32%	1%
Tax at applicable rate of 32% (2015: 1% of turnover)		
Tax on profit before taxation	2,985,674	5,802,570
Tax effect of amount not admissible for tax purposes	10,824,295	-
Tax effect of depreciation - admissible for tax purposes	(2,903,177)	-
Tax effect of amount admissible for tax purposes	(3,610,890)	-
Tax effect of gratuity paid - admissible for tax purposes	(250,336)	-
Tax impact of prior year income tax	988,227	(7,141,259)
Tax impact of deferred tax charged	(4,410,377)	9,509,180
Actual tax expense net	3,623,416	8,170,491

30 EARNINGS PER SHARE - BASIC AND DILUTED

	2016 Rupees	2015 Rupees
Profit/(Loss) for the year - Rupees	5,706,814	4,068,202
Number of ordinary shares outstanding during the year	6,582,600	6,582,600
Earnings per share-Rupees	0.87	0.62

There is no dilutive effect on the earnings per share of the Company as the Company has no such commitments.

31 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	Chief Executive		Directors		Executives	
	2016	2015	2016	2015	2016	2015
	Rupees		Rupees		Rupees	
Managerial remuneration	3,666,663	3,711,552	4,266,663	4,121,776	4,109,062	5,712,267
Travelling expenses	1,263,125	2,395,111	1,273,092	607,585	-	-
Bonus	335,527	193,548	398,087	206,451	363,521	-
	5,265,315	6,300,210	5,937,841	4,935,812	4,472,582	5,712,267
Number of persons	1	1	2	2	4	6

In addition to the above, the chief executive and an executive director has been provided with two vehicles each and another director is provided with one fully company maintained vehicle and all other benefits and perquisites which are available to senior executives. Certain executives are also provided with the company maintained cars.

32 RELATED PARTY TRANSACTIONS

Related parties comprise of associated companies, staff retirement funds, directors and key management personnel:

	Note	2016 Rupees	2015 Rupees
32.1 Transactions with Akbar Associates (Private) Limited:			
Marketing expenses	Note: 24	30,697,583	28,653,306
32.2 Common expense sharing:			
Rent, rate and taxes		3,891,250	230,210
Electricity, gas and water		1,785,189	1,174,666
Postage, telex and telephone		1,425,925	129,951
Entertainment and staff welfare		1,856,603	2,883,835
32.2.1	Out of total combined expenses, 66.66% has been allocated/ charged to Akbar Associates (Private) Limited.		
		2016 Rupees	2015 Rupees
32.3	Non-sharing expenses paid on behalf of Akbar Associates (Private) Limited.	9,157,053	20,839,517
32.4	Interest income charged to Akbar Associates (Private) Limited on average monthly balances interest at monthly KIBOR plus 2.00%.	5,209,085	1,222,475
32.5 Transactions with key management personnel			
The transaction with key personnel are disclosed in note 31.			
32.6 Transactions with others			
Employees' gratuity	Note: 19	6,956,551	6,552,524
Workers' profit participation fund	Note: 20.2	468,872	560,337
The related party status of outstanding balances as at balance sheet date are included in relevant notes to the financial statements.			

33 PLANT CAPACITY

As such the plant capacity cannot be determined. Utilization of plant capacity depends upon total market demand and market share held.

34 RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to a variety of financial risks, including the effects of changes in foreign exchange rates, market interest rates, commodity price, credit and liquidity risk associated with various financial assets and liabilities respectively.

The Board of Directors of the Company has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies. The Company does not engage in the trading of financial assets for speculative purposes. All treasury related transactions are carried out within the parameters of those policies.

The Company finances its operations through equity and management of working capital with a view to maintaining a reasonable mix and to minimize risk.

Taken as a whole, risks arising from the Company's financial instruments are limited as there is no significant exposure to risk. Risk measured and managed by the Company are explained in the notes below.

34.1 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and service charge out rate will effect the Company's income or the value of its holdings in financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk. Foreign currency sensitivity, interest rate sensitivity and other price risk sensitivity are described in note: 34.1(a), 34.1(b) and 34.1(c) respectively.

(a) Foreign currency sensitivity

Local transactions except sales are carried out in Pak Rupees while transactions abroad are carried out in US Dollars. Exposures to currency exchange rates arise from the Company's receivables, payables and some balances with banks, which are primarily denominated in other than Pak Rupees. The activities of the Company expose it to foreign exchange risk, primarily with respect of US Dollars.

To mitigate the Company's exposure to foreign currency risk, non-Pak Rupees cash flows are monitored in accordance with Company's risk management policies. Generally, the Company's risk management procedures distinguish short-term foreign currency cash flows from long-term cash flows, where the amounts to be paid and received in a specific currency are managed to largely offset one another.

Foreign currency denominated financial assets and liabilities, translated into Pak Rupees at the closing rate, are as follows:

	2016 Rupees	2015 Rupees
Financial assets	106,768,085	269,966,447
Financial liabilities	(197,805,378)	(361,992,878)
Short-term exposure	(91,037,293)	(92,026,431)
Financial assets	-	-
Financial liabilities	-	-
Long-term exposure	-	-

The following table illustrates the sensitivity of the net result for the year and equity with regards to Company's financial assets and liabilities and US Dollar - Pak Rupee exchange rate.

A + 2.67/- 1.16 change of the US Dollar exchange rate for the year ended June 30, 2016 (2015: A + 2.81/- 1.89) has been considered. These percentages have been determined based on the average market volatility in exchange rates in the previous 12 months. The sensitivity analysis is based on Company's foreign currency financial instruments held at each balance sheet date.

If the Pak Rupee had strengthened against the US Dollar by 2.67 (2015: 2.81), then this would have had the following impact:

	2016 Rupees	2015 Rupees
Net result for the year	2,322,712	2,578,620

If the Pak Rupee had weakened against the US Dollar by 1.16 (2015: 1.89), then this would have had the following impact:



	2016 Rupees	2015 Rupees
Net result for the year	(1,007,236)	(1,731,917)

Exposures to foreign exchange rates vary during the year depending on the volume of overseas transactions. Nonetheless, the analysis above has been considered to be representative of the Company's exposure to foreign currency risk.

(b) Interest rate sensitivity

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Company does not have any external borrowings except vehicles under Ijarah Finance. The Company is exposed to change in market interest rate through fund utilized out of Workers' Profit Participation Fund (WPPF) and saving accounts in bank, vehicles acquired under Ijarah lease agreements and amount receivable from Akbar Associates (Private) Limited, which are subject to variable interest rates.

	2016 %	2015 %	2016 Rupees	2015 Rupees
	Effective interest rate			
Financial assets				
Bank balances	3.0 to 7.50 %	3.50 to 8.00 %	6,466,926	55,775,614
Due from associated company	6.54%	12.10 %	14,887,057	23,167,366
			<u>21,353,983</u>	<u>78,942,980</u>
Financial liabilities				
Ijarah financing	13.00%	12.10 %	4,825,060	8,104,319
WPPF	37.5 %	9.88 %	782,032	835,094
			<u>5,607,092</u>	<u>8,939,413</u>
On balance sheet gap			<u>15,746,891</u>	<u>70,003,567</u>

(c) Equity price risk

Equity price risk is the risk that the fair value of the equities changes as a result of changes in the level of equity indices and the value of individual stocks. The Company does not have exposure in listed equities as at June 30, 2016.

34.2 Credit risk analysis

Credit risk represents the accounting loss that would be recognized on the reporting date if counter parties failed completely to perform as contracted. The Company's credit risk is primarily attributable to its trade debts, advances, deposits and other receivables and balances with banks. The credit risk on liquid funds is limited, as the counter parties are banks with reasonably good credit ratings, trade debtors are petroleum companies which have good credit worthiness, associated undertaking over which we have influence, Ijarah security deposits are with banks which have good credit ratings and employees who are also contractually binded and subject to final settlement. The Company believes that it is not exposed to major concentration of credit risk. Out of the total financial assets of Rs. 173,692,503 (2015: Rs. 428,405,390), the financial assets of Rs. 173,692,503 (2015: Rs. 428,405,390) are subject to credit risk.

(a) Exposure to credit risk

	2016 Rupees	2015 Rupees
Classes of financial assets - carrying amounts		
Bank balances	50,067,145	92,784,588
Trade and other receivables	123,625,358	335,620,802
	<u>173,692,503</u>	<u>428,405,390</u>

The maximum exposure to credit risk for financial assets at the reporting date by type of counterparty was:

	2016 Rupees	2015 Rupees
Companies - Petroleum	105,610,205	269,767,775
Company - Associated Undertaking	14,887,057	23,167,366
Companies- Others	320,776	26,430,432
Banks and financial institutions	50,067,145	94,853,908
Employees	511,920	681,920
Provincial Governments	2,295,400	13,503,989
Others	-	-
	<u>173,692,503</u>	<u>428,405,390</u>

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The Company's management continuously monitors defaults of customers and other counterparties, identified either individual or by group. Where available at reasonable cost, external credit ratings or reports on customers and other counterparties are obtained and used. The Company's policy is to deal only with creditworthy counterparties.

(b) Credit quality of major financial assets

Management considers that all the above financial assets that are not impaired on each of the reporting dates have good credit quality, including those that are past due.

Trade receivables

Financial assets due but not impaired can be shown as follows:

	2016 Rupees	2015 Rupees
Neither past due nor impaired:		
Not more than 1 month	10,095,920	8,677,000
Past due but not impaired:		
More than 1 month but not more than 6 months	23,232,345	14,466,118
More than 6 months but not more than 1 year	3,031,720	65,166,928
More than 1 year but not more than 3 years	69,250,220	181,457,729
	105,610,205	269,767,775
Past due - Credit worthiness in terms of default		
Customers with no defaults in the past one year	36,359,985	18,080,538
Customers with some defaults in past one year which have been fully recovered	-	-
Customers with defaults in past one year which have not yet been recovered	69,250,220	251,687,237
	105,610,205	269,767,775

Majority of companies includes multinationals which have good credit worthiness

Company - Associated Undertaking

This includes amount receivable from Akbar Associates (Private) Limited in respect of payments made for various expense. The company is also paid marketing commission @ 5% of sales in respect of marketing services provided by them which on average amount to Rs. 30-35 million yearly and this amount may also be adjusted against the marketing commission.

Companies- Others

This includes amount receivable from a company involved in import of vehicles and having a good credit worthiness.

Bank balances

The credit risk for cash and cash equivalents is considered negligible, since the counter parties are reputable banks with high quality credit ratings.

The bank balances along with credit ratings are tabulated below:

	Rating agency	2016 Rupees	2015 Rupees
A1+	PACRA	41,417,700	25,602,137
A1	PACRA	8,088,099	232,193
A-1+	JCR-VIS	-	-
A-2	JCR-VIS	506	7,115,281
A-1	JCR-VIS	560,840	59,683,799
		50,067,145	92,633,410

Employees

This amount represents advances given to employees who are in the lawful binding employment contract and are subject to final settlement.

Provincial Governments

This represents amounts paid to provincial governments in respect of bid money and the credit risk on such is low.

34.3 Liquidity risk analysis

Liquidity risk reflects an enterprise's inability in raising funds to meet commitments. The Company follows an effective cash flow management and planning policy to ensure the availability of funds and to take appropriate measures for new requirements.

Company maintains cash and balances with banks to meet its liquidity requirement for thirty (30) days period. Funding for long term liquidity needs is additionally secured by an adequate amount of committed credit facility from financial institutions and Company's directors.

At balance sheet date, the Company's liabilities have contractual maturities which are summarized below:

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June 30, 2016	Within 1 months	More than 1 to 6 months	More than 6 to 12 months
Trade and other payables	-	222,607,245	-
Unclaimed dividend	5,830,248	-	-
	5,830,248	222,607,245	-

This compared to the maturity of Company's financial liabilities in the previous reporting period as follows:

June 30, 2015	Within 1 months	More than 1 to 6 months	More than 6 to 12 months
Trade and other payables	-	381,489,308	-
Unclaimed dividend	3,478,125	-	-
	3,478,125	381,489,308	-

The above contractual maturities reflect the gross cash flows, which may differ with the carrying values of the liabilities at the balance sheet date. The management believes that the company is not exposed to any significant liquidity risk.

34.4 Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit and loss. Therefore a change in interest rates at the reporting date would not affect income and expenditure account.

34.5 Summary of financial assets and liabilities by category

The carrying amounts of the Company's financial assets and liabilities recognized at the balances sheet date are categorized as follows:

	Note	2016 Rupees	2015 Rupees
Financial assets at amortized cost			
- Trade debts	Note: 12	105,610,205	269,767,775
- Due from Associated Undertaking	Note: 15	14,887,057	23,167,366
- Advances	Note: 13	320,776	26,430,432
- Margin deposits and bid money	Note: 14.1	2,295,400	13,503,989
- Others		-	-
- Employees	Note: 7	511,920	681,920
- Bank balances	Note: 17, 14.1 & 7.1	50,067,145	94,853,908
		173,692,503	428,405,390
Financial liabilities			
Financial liabilities measured at amortized cost			
- Trade and other payables		222,607,245	381,489,308
- Unclaimed dividend		5,830,248	3,478,125
		228,437,493	384,967,433

35 CAPITAL MANAGEMENT POLICIES AND PROCEDURES

Company is not subject to any externally imposed capital requirements.

Company's capital management objectives are to ensure the Company's ability to continue as a going concern and to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Company monitors capital on the basis of the carrying amount of equity plus unappropriated profit less cash and cash equivalents as presented on the face of the balance sheet.

Consistent with industry practice and the requirements of lender, the Company monitors the capital structure on the basis of gearing ratio. The ratio is calculated as borrowings divided by total capital employed.

	2016 Rupees	2015 Rupees
Total equity	240,527,516	267,519,271
- Cash and bank balances	(48,677,491)	(92,640,971)
Capital	191,850,025	174,878,300
Total equity	240,527,516	267,519,271
Overall financing	240,527,516	267,519,271
Capital-to-overall financing ratio	0.80	0.65

The Company sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.



36 OPERATING SEGMENT

These financial statements have been prepared on the basis of single reportable segment.

- Oil field equipment sales represent 98.0% (2015: 93.3%) of the total sales of the Company.
- 100% (2015: 100%) of the Company's sales relate to customers in Pakistan.
- All non-current assets of the Company as at June 30, 2016 are located in Pakistan.
- Five (2015: Five) of the Company's customers having sales aggregating Rs.610.69 million (2015: Rs.570.95 million) contributed towards 99 % (2015: 98%) of the Company's sales. Three (2015: Two) customers individually exceeded 10% of total sales.

37 NUMBER OF EMPLOYEES

	2016 Number	2015 Number
Number of employees at the year end	66	77
Average number of employees	72	78

38 GENERAL

38.1 Non- adjusting event after the balance sheet date

The Company is liable to pay tax at the rate of 10 % on undistributed reserves where such reserves of the Company are in excess of its paid up capital and the Company derives profit for a tax year but does not distribute requisite cash dividend within six months of the the end of the said year. In accordance with the guidance issued by the Institute of Chartered Accountants of Pakistan, liability if any, in respect of the income tax due to non-distribution of the dividend is recognised when the prescribed time period for distribution of dividend expires.

38.2 General and corresponding figures

Amounts have been rounded to the nearest thousand rupees unless otherwise stated. Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison. There was no significant reclassifications/ restatements to these financial statements during the year.

38.3 Date of authorization for issue

These financial statements have been authorized for issue by the Board of Directors of the Company in its meeting held on October 07, 2016.

ZIA AKBAR ANSARI
CHIEF EXECUTIVE & DIRECTOR

JAMAL AKBAR ANSARI
DIRECTOR



PROXY FORM

The Secretary,
ADOS Pakistan Limited
88, Khayaban-e-Iqbal,
Sector F-8/2,
Islamabad.

I, We _____
of _____
in the district of _____ being a member
ADOS Pakistan Limited and a holder of _____
Ordinary Shares as per Share Register

No. of Shares _____
Folio No. _____

Here by appoint _____ of _____ in the district
of _____ or failing him _____
of _____

as my/our proxy to vote for me/us on my/our behalf at the 31st Annual General Meeting of the
company to be held on _____ and at any adjournment thereof.
Signed this _____ day of _____ 2016.

Signature on
One Rupee
Revenue Stamp

(Signature of Proxy)

Signature should agree with the
Specimen signature registered with the company.

NOTE:

1. A member entitled to attend and vote at Annual General Meeting may appoint another member, as his/her proxy to attend and vote on his/her behalf.
2. The instrument appointing proxy and the power of attorney or other authority under which it is signed or a notarially certified copy of power of attorney must be deposited at the registered office of the Company at least 48 hours before the meeting.
For Beneficial Owners as per CDC List
In addition to the above the following requirements have to be met:
3. Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be submitted with the Company prior to the meeting.
4. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
5. The proxy shall produce his original CNIC or passport at the time of the meeting.
6. In case of a corporate entity, the Board of Director's Resolution/ Power of attorney with specimen signatures shall be submitted along with proxy form to the Company.

